

**OUTGOING AIRGRAM****DEPARTMENT OF STATE DIVISION OF COMMUNICATIONS AND RECORDS TELEGRAPH BRANCH**

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AMEMBASSY

CAIRO

A-138. Sept. 22, 1951

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Embassy Despatch No. 259, August 3, 1951, deals with a matter that has been subject to continuing study in the Department.

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At the present time the permissibility of authorizing Foreign Diplomatic missions in Washington to install and operate radio transmitting equipment is considered to be precluded by the provisions of the Federal Communications Act of 1934 which states, in part, that the Federal Communications Commission (FCC) shall not grant licenses, *inter alia*, to:

- "(1) Any alien or the representative of any alien;
- "(2) Any foreign government or the representative thereof;
- "(3) Any corporation organized under the laws of any foreign government;"

Under the interpretation that the "granting of a license" is an essential prerequisite to authorizing a diplomatic mission to operate a radio transmitter, the United States Government has refused all such requests and considers itself unable to offer reciprocity in the matter at the present time.

While the specific intent of Congress in preparing this legislation may not now be accurately determined, it appears probable that the following factors were considered to have bearing:

1. Free use of radio transmitting facilities by alien agents in this country might at least expedite the transmission of intelligence material back to their home stations.
2. The allocation of interference-free frequencies to all users who might wish to avail themselves of such privilege would pose an increasingly severe problem as the demands of other authorized services increased.

3. The

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3. The assurance of a sound and effective international telecommunications system has always been considered to be of material importance to the United States Government. In this country, such communications are conducted by commercial enterprise whose operations must be justified by fair return on plant and operating investments. The assurance of government traffic, on many circuits, represents the margin of difference between profitable and unprofitable operation.

The first factor is vitiated in some measure by the generally free and uncensored availability of commercial telegraph facilities in this country and by our recognition of the inviolability of the diplomatic pouch.

The second factor presents an admittedly serious problem but presumably not an insoluble one under application of proper controls.

On the third factor would seem to hinge the question as to whether or not this government would favorably consider modification or reinterpretation of existing law so as to permit the Secretary of State or other qualified agency to grant individual and specific authorizations to operate diplomatic wireless facilities in this country. The problem of assured revenue to the American carriers might be satisfied through such precedented expedients as direct subsidy or corresponding tax relief.

There have been a number of occurrences since our own legislation was prepared, which demonstrated the immeasurable contribution afforded to the security of United States Foreign Service establishments abroad by the possession of regularly operated and proven radio communications facilities in times of emergency. There is nothing to indicate that this security consideration materially influenced the preparation of the original Act.

The Department, in collaboration with other government agencies, is now engaged in the preliminary phases of reevaluating what we gain by such restrictive legislation in contrast with what we lose by similar restrictions applied to our own Foreign Service establishments.

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The scheme suggested in the last paragraph of the Embassy's despatch is an ingenious one and appears on the surface to be within the letter of the law. It would be in conflict, however, with at least the second two factors upon which the law is assumed to be predicated and would offer little, if any, additional security in times of local or international disturbance.

The Department doubts therefore that such an arrangement could be justified purely as a measure of economy offering direct governmental competition with the established U.S. commercial telegraph carriers.

Webb (Acting)

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